



STATE COURT ADMINISTRATOR

Iowa Judicial Branch Building
1111 East Court Avenue
Des Moines, IA 50319

DAVID K. BOYD
State Court Administrator

MEMORANDUM

To: All Judicial Branch Personnel
From: David K. Boyd
Date: January 27, 2017
Re: FY 17 Judicial Branch Operating Budget Update

I write to update you on the status of our current fiscal year budget. As I reported to you on January 12th, the Governor's proposal to bring the FY 2017 state budget into compliance with the 99% spending limitation would have resulted in a \$7.7 million reduction to the judicial branch operating budget. House and Senate leadership crafted a different plan which reduced our cut to \$3 million. The Senate has now passed the bill and the House is scheduled to take it up and pass it on Monday. The Governor has indicated he will sign the bill.

So, the question becomes how will the judicial branch handle a \$3 million reduction from an already tight budget over the next five months? Since our personnel costs are approximately 95% of our operating budget, our options are limited.

The key to our solution is the use of vacant positions. At the beginning of the fiscal year, we had approximately 70 staff vacancies throughout the entire judicial branch. While some mission critical positions have been filled along the way, today that number is 111. Additionally, judgeships that became vacant during the fiscal year have been held open on average for six months. We budgeted for 9 judgeship vacancies, but so far we have had 12. Based our savings to date, I believe we can hold sufficient positions vacant for the balance of the fiscal year to get us within \$400,000 of covering the \$3 million appropriation.

To cover the remaining \$400,000 will require that all court offices, including clerk of court offices, be closed and all judicial branch employees will take unpaid leave on Friday, May 26th. As we move through the balance of the fiscal year, we will continue to search for additional savings from other measures. If at some point between now and May 26th we find sufficient additional savings we will cancel the need for this one day of court closures and unpaid leave.

Judges and magistrates are not included in the unpaid leave and court closure. On May 26th, judges and magistrates are expected to be working unless on approved leave status. As a reminder, during the past two fiscal years all non-judicial personnel received across-the-board increases along with steps for those not at the top of their pay grade, while judges and magistrates have received only one salary increase since July 1, 2008.

I do not want to minimize the impact of the \$3 million deappropriation, especially upon judicial branch personnel and the services we provide to all Iowans, but the real issue we all need to focus on now is the FY 2018 budget pending before the legislature. The \$3 million deappropriation is a permanent cut. That means our base budget is \$3 million less. If the legislature does not appropriate the needed funding for the judicial branch in FY 2018, there will be no alternative but to diminish the services we provide to Iowans by implementing further budget reductions.

When I wrote to you last June about our FY 2017 operating budget, I said that I could not guarantee you that we would not need to make a midcourse correction as we moved through the year. Unfortunately, that statement has come true. As we focus on FY 2018 it is through our collective efforts that we have the best chance to secure the resources necessary to provide critical services to all Iowans.

I will continue to keep you informed as we move through the legislative process. In the meantime, if you have any questions or concerns please to not hesitate to contact me.